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HEARING DATE & TIME:  
JANUARY 21, 2011 at 10:00 AM

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK  
WHITE PLAINS DIVISION

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In re:  
RICHARDS CONDITIONING CORP.,:

CHAPTER 11  
CASE NO.: 09-22525(RDD)

Debtor.:

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**NOTICE OF HEARING ON THE DEBTOR'S APPLICATION IN SUPPORT OF  
APPROVAL OF ITS AGREEMENT WITH EXPO CREDIT CORP. PURSUANT  
TO FEDERAL RULE OF BANKRUPTCY PROCEDURE 9010 AND GRANTING  
SUCH OTHER AND FURTHER RELIEF AS IS JUST**

**PLEASE TAKE NOTICE** that a hearing on the application of the above-captioned debtor **RICHARDS CONDITIONING CORP.** (the "Debtor"), by its attorneys, **PENACHIO MALARA LLP**, for the entry of an order pursuant to 11 U.S.C. §105 and Rule 9019 of the Federal Rules of Bankruptcy Procedure ("Rules") approving a compromise with **EXPO CREDIT CORP.** ("EXPO") will be held before the Honorable Robert D. Drain, United States Bankruptcy Judge, in his Courtroom, in the United States Courthouse, 300 Quarropas Street, White Plains, NY 10601 on January 21, 2011 at 10:00 AM.

**PLEASE TAKE FURTHER NOTICE** that the principal terms of the compromise consist of the following:

1. EXPO will assign to BHRMH Investment, LLC or its designee ("BHRMH"), its secured claim and all of its rights and interests therein except for certain enumerated accounts receivable.
2. BHRMH and the Debtor will release EXPO, its officers, directors and shareholders from and against any and all current and future claims and/or liabilities other than the obligations of EXPO under the proposed assignment.
3. EXPO will release BHRMH and the Debtor from claims other than those emanating from the assignment.
4. EXPO shall retain limited rights in certain claims by the Debtor against third parties.
5. EXPO shall have a right of first refusal to finance certain transactions that the Debtor may undertake with New York City School Construction Authority.

**PLEASE TAKE FURTHER NOTICE**, that a copy of the application and all exhibits thereto, is available on the Bankruptcy Court website, [www.nysb.uscourts.gov](http://www.nysb.uscourts.gov), and from the undersigned upon request therefore.

**PLEASE TAKE FURTHER NOTICE**, that objections, if any shall be filed in accordance with applicable law and rules and served upon the undersigned, counsel for BHRMH, Rattet, Pasternak & Gordon Oliver, 550 Mamaroneck Ave., Harrison, NY 10528, Counsel for the Debtor, Penachio Malara, 235 Main Street, White Plains, New York 10601, Office of the United States Trustee Attn: Richard Morrissey, Esq., 33 Whitehall Street, 22<sup>nd</sup> Floor, New York, NY 10004, Counsel for Expo Credit, Resiman Peirez & Resiman, LLP, 1305 Franklin Avenue, Garden City, New York 11530 and a copy shall be delivered to the Bankruptcy Judge's Chambers. Unless objections are interposed, the relief sought in the motion may be granted.

Dated: White Plains, New York  
December 28, 2010

PENACHIO MALARA LLP

By: /s/ Anne Penachio

Anne Penachio

235 Main Street

White Plains, NY 10601

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